File M/003/031

William L Bown
Utah Building Stone Supply
842 West 400 North
West Bountiful, Utah 84087
801-295-0601

State of Utah
Division of Oil,Gas,and Mining
1594 West North Temple
Suite 210
Salt Lake City, Utah 84114-5801

March 3. 1997

Dear Sirs,

The office of the State of Utah School and Institutional Trust Lands has requested that we inform your division of our intent to commence mineral material extraction operations on two adjoining lease areas we hold in the Grouse Creek area, and to submit to them evidence that we have made such information available to you.

We have enclosed a copy of the SITLA NOI. We request that you send us a formal acknowledgement of your reciept of said notice that we may forward this reciept to SITLA as soon as possible. Thank you for your prompt attention to this matter.

Sincerely,

William L Bown

William L Bown, Operator

P.S. We have witheld copies of pertinent maps as there review by DOGM is not required for evidence of notification of SITLA NOI

STATE OF UTAH
School and Institutional
Trust Lands Administration
675 East 500 South
Suite 500
Salt Lake City, Utah 84102

NOTICE OF INTENT TO COMMENCE MINERAL RESOURCE EXTRACTION

SITLA ML 44791
SITLA ML 46786

Operator: William L Bown
842 West 400 North
West Bountiful, Utah 84087
801-295-0601

(b) Mineral Resource Extraction

i) William L Bown
842 West 400 North
West Bountiful, Utah 84087
801-295-0601

ii) Area of operation consists of a series of "slides" comprised of micaceous quartzite schist talus. Said slides occupy both north and south sides of draw, drainage, or canyon as well as westerly slopes. Some slides could be classified as individual or separate, but the entire drainage can be classified as a system of exposed talus slides of the afore mentioned material. The entire immediate ares is coposed of micaceous quartzite schist, a portion of which is sub-surface, and a portion of which is exposed or at surface talus and outcropping ledges. The entire resource area and surrounding grounds sit within and on a vein of micaceous quartzite schist that is estimated to be in excess of 100 ft. thick. (please refer to attachment "A" area map for explanation and review of (b) ii).

iii) a) Location of proposed operation is NW 1/4, and E 1/2 sec. 2 T 12N, R 17W.
It is estimated that there is in excess of 50,000 tons of exposed talus, 80% of which is immediately marketable in piece size, color, and quality (fracture free). It is estimated that the overall area size of exposed talus slides is in excess of 50 acres withon the resource area, with an average depth of 15 ft. Other "float" talus is abundant throughout the entire surface of the resource area occuring on sage brush covered ridges and side hills. Overall tonnage figures for said "float" talus would be in addition to figures as submitted for "slide areas".

b) Mineral consists of Micaceous Quartzite Schist of a thin cleavage nature.

		ASTM TEST	
Density	167lbs./ft3	C-97	
Density/Absorption	.38%	C-97	
Free silica content	98.1%	C-616	
Compression strength (average mean)	18,815 PSI	C-170	
Modulus of rupture (average mean)	3,696 PSI	C-99	
Hardness (Moh scale of 10)	7		
Compressive strength	20,000-50,000 PSI		
Color	natural,permanent		
Abrasion resistance (wear factor)	0.5	C-241	Ha 46.5

iii) c) Methods for gathering talus consist of the by hand selection of individual pieces of stone, the handloading of stone onto light duty four-wheel-drive vehicles for transport out of resource area for palletization and shipment. No typical mining is incident to proposed "talus gathering" process. Occasionally crow bars, or other hand held tools of leverage are employed to free stone which is wedged in place. No excavation will be incident to this operation as proposed. No earth moving or other disturbance to the surface will be incident to this operation as proposed. Existing public roads, adjacent to the talus slides will be traversed by light duty vehicles to access and exit resource area of operation.

d) Individual pieces of stone selected for market will be withdrawn from slide area by human hand.

e) Abandonement would be accomplished by simply ceasing the activity of the by hand stone selection process together with a formal notice to the SUSITLA agent advising of said abandonement. There is no cause of surface disturbance incident to any part of the proposed process, hence there is nothing to reclaim and abandonement could be accomplished therefore, without reclamation processes. Talus slides would remain intact and in condition of immediate operation by subsequent lessees.

iv) Maps and cross sections

a) Please refer to attachment "B' Plan map.

b) Isopach maps are not practicable in relation to the proposed method of talus or stone removal incident to this operation plan. There is no excavation or earth moving or altering of any kind, hence no overburden or interburden.

c) No typical mining will take place as a result of the proposed operation. There will be no systematic "working through area talus slides. Certain slides hold a greater ratio of particular grades of stone than do others. What portions of which slides are harvested will be dependent upon market demands and dictations. Because there will be no surface disturbance and no use of earth-moving equipment, there will be no typical pits, high walls, fenders or spoils.

d) There will be no underground mining of any sort or nature incident to this operation as proposed. There will be no "mining" as defined at all.

e) There will be no auger mining incident to this operation as proposed.

v) Presently the most economic method of recovery of this resource is the method as described in iii) c) of this notice. In place at this time, is a very specific market, demanding most, but not all of the individual stones or pieces of talus found withon the resource area. Market sets piece size, thickness, and coloration standards. Virtually all of the source is marketable, but hand selection is the most effective method maintaining market demands for quality grading.

However, as material is introduced into new markets it is expected that demand will grow, and it is likely that at some future point, it may become more economical to engage the use of equipment capable of a more "mass producing" method of material removal. The uses for the resource material in the context of a dimensional or building stone are limitless. Market growth will depend on the operator's ability to effectively and economically work the resource area.

There is a network of public prescriptive easements and class D county roads within the resource area. The limited or unlimited ability of the operator to use these roads would also greatly enhance the economics of the recovery of resource materials thereon. These roads have been in place for decades and represent the only feasable way to access the resource area. For such roads to be classified as areas of disturbance, and thereby subject to reclamation (closure) would represent the end of any future possibilities for the economical operation of any mineral materials removal from the resource area. Said roads are the single most important element in the economical recovery of the resource, and must be afforded the highest regard greater even, than the mineral material resource itself.

vi) In the present and proposed method of removal, no unnecessary nor undue degradation will occur withon the resource area. Should market demand increase volumes removed to a point where mass material removal becomes the most economically feasible method, and pertinent equipment is employed,ie track excavator, large trucks, etc. their use would be confined and limited to the actual slide areas, and there would yet be no unnecessary nor undue degradation to the surface of the resource area. However, operator wouls await advisement from SITLA regarding it's policies incident to the use of so-called earth moving equipment withon resource area.

At the time of abandonement of the present lease, present operator would simply vacate said leased lands, physically and by formal written notice. If equipment is involved it too would be removed from the subject area.

vii) The entire tract of the subject area and section 2 are properties, surface and minerals of the State of Utah. We pray submittal of this notice will serve as adequate notification of our intent to commence resource extraction.

viii) Please refer to attachment "C" reciept of NOI from UDOGM

ix) Please advise operator of any additional relavant information SITLA requires at this time.